

**WASHINGTON. D.C.** – Today the Obama Administration released its monthly performance report for the Home Affordable Modification Program (HAMP) and its monthly “Housing Scorecard.” Both further demonstrate that HAMP has failed to address, or even significantly affect, the nation’s foreclosure rates.

“There’s a real disconnect between the false image of success and propaganda that the Administration is desperately trying to project and the facts, which report another month of more homeowners being kicked out of HAMP than are receiving permanent mortgage relief,” said Rep. Darrell Issa (R-CA), the Ranking Member of the House Committee on Oversight and Government Reform. “As long as the Administration continues to sidestep the larger issues such as job creation and how they intend to deal with Fannie Mae and Freddie Mac, subsequent misadventures into the mortgage market will continue to be an exercise in good money after bad.”

**Some key take-away points:**

- **The number of homeowners kicked out of HAMP continues to outpace the numbers who receive permanent mortgage modifications – at an increasing rate.** In June, 91,118 homeowners were kicked out of temporary modifications and 2,466 homeowners were kicked out of permanent modifications. The difference between homeowners who have lost their modifications (now, cumulatively, 529,637 (520,814 temporary modifications canceled plus 8,823 permanent modifications canceled)) and homeowners who have successfully achieved permanent modifications (now, cumulatively, 389,198) is even starker than it was last month.

- **Treasury has long been trying to represent that its original goal of “sustainable” relief to 3-4 million homeowners merely meant that 3-4 million homeowners would receive offers of temporary modifications. The latest numbers suggest that Treasury will not even hit that lesser goal.** The number of offers of temporary modifications stands at 1,528,563. Even Treasury’s revised goal – which SIGTARP and others have criticized as meaningless – appears to be out of reach.

- **HAMP’s mortgage modification pipeline is slowing down.** In June, only about 15,000 homeowners started new temporary modifications – the smallest number since recordkeeping began.

- **The Administration falsely compares foreclosure rates with cumulative *temporary* mortgage modifications.**

Page 3 of the Housing Scorecard contains a chart which purports to show exactly that by comparing cumulative mortgage restructurings to cumulative foreclosure completions. The Scorecard chart dishonestly includes

*temporary*

mortgage modifications under HAMP in the total number of mortgage restructurings. As we've seen, most HAMP temporary mortgage modifications don't stick. A large number of temporary mortgage modifications is irrelevant to the foreclosure rate unless those temporary modifications are being converted to permanent ones successfully – which is not happening.

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